

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 3524
OFFERED BY Mr. Chabot**

At the appropriate place, insert the following new
title:

1 **TITLE ____—TAIWAN RELATIONS**
2 **MODERNIZATION ACT**
3 **Subtitle A—U.S.-Taiwan Relations**
4 **SEC. ____.** STATEMENT OF POLICY ON ENHANCING THE
5 **UNITED STATES-TAIWAN PARTNERSHIP.**

6 It is the policy of the United States—

7 (1) to recognize Taiwan as a vital part of the
8 United States Indo-Pacific strategy;

9 (2) to advance the security of Taiwan and its
10 democracy as key elements for the continued peace
11 and stability of the greater Indo-Pacific region, and
12 a vital national security interest of the United
13 States;

14 (3) to reinforce its commitments to Taiwan
15 under the Taiwan Relations Act (Public Law 96–8)
16 and the “Six Assurances”;

17 (4) to support Taiwan’s implementation of its
18 asymmetric defense strategy;

(1 (5) to urge Taiwan to increase its defense
2 spending in order to fully resource its defense strat-
3 egy;

4 (6) to conduct regular transfers of defense arti-
5 cles to Taiwan in order to enhance Taiwan's self-de-
6 fense capabilities, particularly its efforts to develop
7 and integrate asymmetric capabilities, including
8 anti-ship, coastal defense, anti-armor, air defense,
9 undersea warfare, advanced command, control, com-
10 munications, computers, intelligence, surveillance,
11 and reconnaissance, and resilient command and con-
12 trol capabilities, into its military forces;

(13 (7) to advocate and actively advance Taiwan's
14 meaningful participation in the United Nations, the
15 World Health Assembly, the International Civil
16 Aviation Organization, the International Criminal
17 Police Organization, and other international bodies
18 as appropriate;

19 (8) to advocate for information sharing with
20 Taiwan in the International Agency for Research on
21 Cancer;

22 (9) to promote meaningful cooperation among
23 the United States, Taiwan, and other like-minded
24 partners;

(1 (10) to enhance bilateral trade, including poten-
2 tially through new agreements or resumption of
3 talks related to a possible Trade and Investment
4 Framework Agreement;

5 (11) to actively engage in trade talks in pursu-
6 ance of a bilateral free trade agreement;

7 (12) to expand bilateral economic and techno-
8 logical cooperation, including improving supply chain
9 security;

10 (13) to support United States educational and
11 exchange programs with Taiwan, including by pro-
12 moting the study of Chinese language, culture, his-
13 tory, and politics in Taiwan; and

14 (14) to expand people-to-people exchanges be-
15 tween the United States and Taiwan.

16 **SEC. ____ . REAUTHORIZATION OF TAIWAN ASSURANCE ACT.**

17 Section 315 of subtitle B of division FF of the Con-
18 solidated Appropriations Act, 2021 (Public Law 116-260;
19 commonly referred to as the Taiwan Assurance Act) is
20 amended adding at the end the following:

21 “(d) Periodic Review – For as long as the guidance
22 described in subsection (a) remains in effect, the Secretary
23 shall conduct periodic reviews as described in subsection
24 (a) and submit updated reports as described in subsection
25 (c) not less frequently than every two years following the

1 submission of the initial report described in subsection
2 (c).”.

3 **SEC. ____ . TAIWAN SYMBOLS OF SOVEREIGNTY.**

4 (a) IN GENERAL.—Not later than 90 days after the
5 date of the enactment of this Act, the Secretary of State
6 shall rescind any contact guideline, internal restriction,
7 section of the Foreign Affairs Manual or Foreign Affairs
8 Handbook, related guidance, or related policies that, ex-
9 plicitly or implicitly, including through restrictions or limi-
10 tations on activities of United States personnel, limits the
11 ability of members of the armed forces of the Republic
12 of China (Taiwan) and government representatives from
13 the Taipei Economic and Cultural Representative Office
14 (TECRO) to display for official purposes symbols of Re-
15 public of China sovereignty, including—

- 16 (1) the flag of the Republic of China (Taiwan);
17 and
18 (2) the corresponding emblems or insignia of
19 military units.

20 (b) OFFICIAL PURPOSES DEFINED.—In this section,
21 the term “official purposes” means—

- 22 (1) the wearing of official uniforms;
23 (2) conducting government-hosted ceremonies
24 or functions; and

(1 (3) appearances on Department of State social
2 media accounts promoting engagements with Tai-
3 wan.

4 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
5 tion shall be construed as entailing restoration of diplo-
6 matic relations with the Republic of China (Taiwan) or
7 altering the United States Government’s position on Tai-
8 wan’s international status.

9 **SEC. ____ . TREATMENT OF TAIWAN GOVERNMENT.**

10 (a) IN GENERAL.—Nothing in this Act or any other
11 provision of law may be construed to require the United
12 States Government to refer to the democratically elected
13 government of Taiwan as the “Taiwan authorities,” or
14 preclude referring to the democratically elected govern-
15 ment of Taiwan as a “government.”

16 (b) ENGAGEMENT WITH TAIWAN GOVERNMENT.—
17 The Department of State and other United States Govern-
18 ment departments and agencies shall engage with the
19 democratically elected government of Taiwan as the legiti-
20 mate representative of the people of Taiwan and end the
21 outdated practice of referring to the Government of Tai-
22 wan as the “Taiwan authorities”. Notwithstanding the
23 continued supporting role of the American Institute in
24 Taiwan in carrying out United States foreign policy and
25 protecting United States interests in Taiwan, the United

1 States Government shall not place any restrictions on the
2 ability of officials of the Department of State and other
3 United States Government departments and agencies to
4 interact directly and routinely with counterparts in the
5 Taiwan government.

6 (b) RULE OF CONSTRUCTION.—Nothing in this sec-
7 tion may be construed as entailing restoration of diplo-
8 matic relations with the Republic of China (Taiwan) or
9 altering the United States Government's position on Tai-
10 wan's international status.

11 **SEC. ____ . REPRESENTATIVE TITLE FOR DIRECTOR OF**
12 **AMERICAN INSTITUTE IN TAIWAN'S TAIPEI**
13 **OFFICE.**

14 The position of Director of the American Institute in
15 Taiwan's Taipei office shall have the title of Representa-
16 tive.

17 **SEC. ____ . AUTHORIZATION OF GLOBAL COOPERATION AND**
18 **TRAINING FRAMEWORK.**

19 (a) GLOBAL COOPERATION AND TRAINING FRAME-
20 WORK.—

21 (1) IN GENERAL.—The Secretary of State is
22 authorized to conduct training programs, workshops,
23 and other activities with the government of Taiwan
24 pursuant to the Memorandum of Understanding be-

1 tween the United States and Taiwan signed in 2015
2 on the Global Cooperation and Training Framework.

3 (2) SENSE OF CONGRESS.—It is the sense of
4 Congress that Global Cooperation and Training
5 Framework activities that promote ties between the
6 United States, Taiwan, and other democratic part-
7 ners, or that undergird Taiwan’s diplomatic relation-
8 ships, or that counter malign authoritarian activi-
9 ties, are particularly beneficial to our shared inter-
10 ests, and that examples of such activities in 2019 in-
11 clude:

12 (A) the “Good Energy Governance in the
13 Indo-Pacific” workshop, co-hosted by Japan,
14 and Australia;

15 (B) the “International Austronesian Lan-
16 guages Revitalization Forum,” co-hosted with
17 Japan and held in Palau, a nation that main-
18 tains diplomatic relations with Taiwan; and

19 (C) the “Defending Democracy through
20 Media Literacy II” workshop, which focused on
21 addressing and countering disinformation in
22 democratic elections and was co-hosted by
23 Japan and Sweden.

24 (D) the “Anti-Corruption in the Public and
25 Private Sections” workshop, which focused on

1 promoting clean governance, preventing cor-
2 porate governance, and preserving competitive-
3 ness through trade secret protection, and co-
4 hosted by Japan.

5 (b) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated \$3,000,000 for each of
7 the fiscal years 2026 through 2026 for the Global Co-
8 operation and Training Framework.

9 **Subtitle B—U.S.-Taiwan Defense**
10 **and Security Cooperation**

11 **SEC. ____ . BOLSTERING THE UNITED STATES SECURITY**
12 **PARTNERSHIP WITH TAIWAN.**

13 (a) SENSE OF CONGRESS.—It is the Sense of Con-
14 gress that steps to bolster United States security partner-
15 ship in the Indo-Pacific must include encouraging and fa-
16 cilitating Taiwan's accelerated acquisition of asymmetric
17 defense capabilities, which are crucial to defending the is-
18 lands of Taiwan from invasion, including long-range preci-
19 sion fires, munitions, anti-ship missiles, coastal defense,
20 anti-armor, air defense, undersea warfare, advanced com-
21 mand, control, communications, computers, intelligence,
22 surveillance and reconnaissance (C4ISR), and resilient
23 command and control capabilities, and increasing the con-
24 duct of relevant and practical training and exercises with
25 Taiwan's defense forces;

(b) STATEMENT OF POLICY.—It shall be the policy of the United States—

(1) to strenuously oppose any action by the People's Republic of China to use force to change the status quo on Taiwan; and

(2) that, in order to deter the use of force by the People's Republic of China to change the status quo on Taiwan, the United States should coordinate with allies and partners to identify and develop significant economic, diplomatic, and other measures to deter and impose costs on any such action by the People's Republic of China, and to bolster deterrence by articulating such policies publicly, as appropriate and in alignment with United States interests.

SEC. ____: STRATEGY TO RESPOND TO SHARP POWER OPERATIONS TARGETING TAIWAN.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall develop and implement a strategy to respond to sharp power operations and the united front campaign supported by the Government of the People's Republic of China and the Chinese Communist Party that are directed toward persons or entities in Taiwan.

(b) ELEMENTS.—The strategy required under subsection (a) shall include the following elements:

(1) Development of a response to PRC propaganda and disinformation campaigns and cyber-intrusions targeting Taiwan, including—

(A) assistance in building the capacity of the Taiwan government and private-sector entities to document and expose propaganda and disinformation supported by the Government of the People's Republic of China, the Chinese Communist Party, or affiliated entities;

(B) assistance to enhance the Taiwan government's ability to develop a whole-of-government strategy to respond to sharp power operations, including election interference; and

(C) media training for Taiwan officials and other Taiwan entities targeted by disinformation campaigns.

(2) Development of a response to political influence operations that includes an assessment of the extent of influence exerted by the Government of the People's Republic of China and the Chinese Communist Party in Taiwan on local political parties, financial institutions, media organizations, and other entities.

(3) Support for exchanges and other technical assistance to strengthen the Taiwan legal system's ability to respond to sharp power operations.

(4) Establishment of a coordinated partnership, through the Global Cooperation and Training Framework, with like-minded governments to share data and best practices with the Government of Taiwan on ways to address sharp power operations supported by the Government of the People's Republic of China and the Chinese Communist Party.

SEC. ____ . REPORT.

Not later than 90 days after the date of the enactment of this Act, the Secretary of State, in consultation with the Secretary of Defense, shall submit to the appropriate committees a report on the feasibility of enhancing the self-defense capabilities of Taiwan through the Foreign Military Financing program of the Department of State.

SEC. ____ . BRIEFING ON TAIWAN SECURITY COOPERATION.

Section 1260A of the National Defense Authorization Act for Fiscal Year 2021 (Public Law 116–283) is amended—

(1) by striking the heading and inserting “**ANNUAL BRIEFING ON TAIWAN SECURITY COOPERATION**”; and

(1 (2) by adding at the appropriate place in sub-
2 section (b) the following new paragraph:

3 “(4) A description of United States efforts to
4 help Taiwan deter and defeat any military aggres-
5 sion, including bilateral and multilateral—

6 “(A) individual- and unit-level training;
7 and

8 “(B) operational exercise programs that
9 build combined readiness, interoperability,
10 lethality, survivability, joint planning capability,
11 and shared warfighting situational awareness.”.

12 **SEC. ____ TAIWAN STATUS REGARDING EXCESS DEFENSE**
13 **ARTICLES.**

14 Taiwan shall receive the same benefits conferred for
15 the purposes of transfers pursuant to section 516(c)(2)
16 of the Foreign Assistance Act of 1961 (22 U.S.C.
17 2321j(c)(2)).

18 **Subtitle C—U.S.-Taiwan Tech-**
19 **nology & Economic Cooperation**
20 **and Harmonization Act**

21 **SEC. ____ FINDINGS.**

22 Congress finds the following:

23 (1) Taiwan is the United States’ tenth largest
24 partner for bilateral trade in goods, with total trade
25 of \$86 billion, and the United States’ fifteenth larg-

1 est export market, a destination for \$31.8 billion in
2 U.S. exports in 2019.

3 (2) Bilateral trade data dramatically under-
4 states Taiwan's importance to the United States'
5 economy. The trade data does not include the IP li-
6 censing and contracted manufacturing relationships
7 between the United States and Taiwan and does not
8 include the overseas production of Taiwan companies
9 for export to the United States. In 2018, Taiwan
10 firms received \$146 billion in U.S. export orders
11 compared with official U.S. data that showed \$46
12 billion in Taiwan merchandise exports to the United
13 States

14 (3) Advanced technology supply chains are of
15 particular importance to the U.S.-Taiwan relation-
16 ship, and companies from the United States and
17 Taiwan share mutually beneficial links that have al-
18 lowed them to collectively establish a dominant posi-
19 tion in the global manufacture of advanced micro-
20 electronics, a strategic industry of existential impor-
21 tance for the United States' national security and
22 economic prosperity. For example, 60% of Taiwan
23 Semiconductor Manufacturing Corporation's revenue
24 derived from North American customers in 2019. In
25 2018, Taiwan was the third largest importer of

1 semiconductor manufacturing equipment produced
2 in the United States.

3 (4) U.S.-Taiwan advanced technology supply
4 chains, especially microelectronics supply chains,
5 face significant external threats from malign indus-
6 trial policies that pose both military and economic
7 risks.

8 **SEC. ____ . U.S.-TAIWAN TECHNOLOGY AND ECONOMIC SECU-**
9 **RITY STRATEGY.**

10 (a) IN GENERAL.—Not later than 90 days after the
11 enactment of this Act, and annually thereafter for a period
12 of four years, the Secretary of State, following interagency
13 consultation as appropriate, shall submit to the appro-
14 priate Congressional Committees a strategy to deepen
15 U.S.-Taiwan economic relations and strengthen supply
16 chain security in critical technologies.

17 (b) SUBJECT MATTER.—The strategy specified in
18 subsection (a) shall include:

19 (1) a description of the full range of U.S. inter-
20 ests in U.S.-Taiwan economic relations;

21 (2) an identification of requests the government
22 of Taiwan has made to the United States relating to
23 our shared economic relations that remain out-
24 standing;

1 (3) an identification of requests the United
2 States has made to the government of Taiwan relat-
3 ing to our shared economic relations that remain
4 outstanding;

5 (4) a description of specific steps the adminis-
6 tration plans to take to address each such unre-
7 solved issue;

8 (5) an identification of critical technology sup-
9 ply chains of particular importance to the U.S.-Tai-
10 wan economic relationship, U.S.-Taiwan interactions
11 regarding such supply chains, and specific steps the
12 administration plans to take to enhance the security
13 and harmonize the regulation of such supply chains;
14 and

15 (6) a description of government-to-government
16 interactions between the United States and Taiwan
17 that have or will be conducted to address the mat-
18 ters described in paragraphs (1) through (5).

19 (c) FORM.—The report specified in subsection (a)
20 shall be submitted in unclassified form, but may include
21 a classified annex.

22 **SEC. ____ . U.S.-TAIWAN ECONOMIC PROSPERITY PARTNER-**
23 **SHIP DIALOGUE.**

24 (a) IN GENERAL.—The Secretary of State, or their
25 designee at no lower than the rank of Undersecretary,

1 with interagency consultation and participation as appropriate, shall convene an Economic Prosperity Partnership Dialogue with the government of Taiwan.

4 (b) FREQUENCY AND LOCATION.—The Economic Prosperity Partnership Dialogue shall be convened annually and shall be held in an alternating basis in Washington, D.C., and Taipei.

8 (c) SUBJECT MATTER OF DIALOGUE.—The subject matter of the dialogue shall include:

10 (1) The matters included in the U.S. Taiwan Technology and Economic Security Strategy.

12 (2) Efforts to align and harmonize export controls rules and licensing policies, the definition of critical technologies, and the administration and enforcement of export controls for critical technologies, including deemed exports.

17 (3) The advancement of mutual economic security priorities of the United States and Taiwan, such as joint efforts to secure technology supply chains, invest in secure production, and reduce dependencies on adversarial countries for a significant source of revenues.

23 (4) Cooperation to respond to shared threats to economic security and technology supply chains, such as malign industrial policies that seek to ex-

1 tract technological talent, know-how, and expertise
2 from such supply chains in Taiwan and the United
3 States, specifically including human capital.

4 (5) U.S.-Taiwan research collaboration, edu-
5 cational exchange, and strategic investment and
6 R&D for critical technologies.

7 (d) WORKING LEVEL ENGAGEMENT.—The Secretary
8 shall conduct continuing engagements and consultations
9 with the Government of Taiwan at the working level as
10 necessary to advance the U.S.-Taiwan Technology and
11 Economic Security Strategy.

12 (e) CONGRESSIONAL CONSULTATION.—The Sec-
13 retary or their designee shall consult with the appropriate
14 Congressional Committees prior to and after convening
15 each U.S.-Taiwan Economic Prosperity Partnership Dia-
16 logue.

17 **SEC. ____ . APPROPRIATE CONGRESSIONAL COMMITTEES**
18 **DEFINED.**

19 In this title, the term “appropriate Congressional
20 Committees” means the Committee on Foreign Affairs of
21 the House of Representatives and the Committee on For-
22 eign Relations of the Senate.

